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Progress report of the Secretary-General on the United Nations Transitional Administration in East Timor

I. Introduction

1. The present report is submitted pursuant to Security Council resolution 1338 (2001) of 31 January 2001, by which the Council decided to extend the mandate of the United Nations Transitional Administration in East Timor (UNTAET) until 31 January 2002. In that resolution, the Council stressed the need for a substantial international presence in East Timor, and requested me to submit detailed recommendations in this regard within six months. The current report covers the activities of UNTAET, developments in East Timor and the progress made in planning for an international presence in East Timor after independence since my interim report of 2 May 2001 (S/2001/436). During this period, the Council received a briefing on developments in East Timor (S/PV.4321).

II. Political transition

2. During the past six months, East Timor has made substantial progress towards independence, following the calendar laid down by the National Council in February 2001. With the dissolution of the National Council and the start of a six-week election campaign on 15 July 2001, a new phase of organized political activity has begun. Sixteen parties, seven of which were established in the past year, registered with the Independent Electoral Commission to field candidates in the election supervised by the Commission for the 88-member Constituent Assembly, scheduled for 30 August 2001. When registration closed on 23 June 2001, 1,138 party and independent candidates had been registered, with women constituting 27 per cent of the national lists.

3. Between 16 March and 23 June 2001, the Civil Registry Unit of UNTAET registered a consolidated total of 737,811 residents of East Timor, including children. This registration lays the basis for a continuous civil register, which will be maintained by the Civil Registry administration, and will serve as a vital planning tool in areas such as health, education and infrastructure. On the basis of these data, a provisional list of voters was also produced. Preparations for the 30 August election have been accompanied by a country-wide campaign of civic education, conducted through East Timorese non-governmental organizations (NGOs), with assistance from UNTAET. Although East Timor is highly heterogeneous in its ethnic and linguistic composition, no party is basing its campaign appeal on regional or ethnic affiliations.

4. On 8 July 2001, 14 of the 16 parties contesting in the election signed a pact of national unity by which they committed themselves to respecting the outcome of the election, to conducting themselves, in a peaceful and mutually respectful fashion and to defending multi-party democracy. The refusal by two minor parties to sign is not seen as detrimental to the positive stance that is being adopted overall in the campaign period. The political groups that have so far remained outside the election process are the East Timor People's Front (BRTT), a pro-autonomy party, and the Popular Council for the Defence of the Democratic Republic of East Timor (CPD-RDTL). CPD-RDTL, which

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continues to oppose the ballot on the grounds that East Timor became independent in 1975 and already has a constitution, refuses to recognize the legitimacy of the UNTAET mandate from the Security Council. During civil registration, its supporters reportedly attempted to obstruct Timorese people from registering and thus participating in the elections.

5. Since a significant portion of its membership is running for election to the Constituent Assembly, the National Council was formally dissolved on 14 July, prior to the commencement of the campaign period. During the National Council's nine months of sessions, 28 legislative acts were endorsed. In the interim transitional period, my Special Representative, Sergio Vieira de Mello, will continue to promulgate regulations essential for governance. At the start of the election campaign, a minor reshuffle took place in the Cabinet following the departure of three East Timorese members who are also candidates in the election. Senior East Timorese officials in the departments concerned replaced them on a caretaker basis.

6. So far, it appears that the election is likely to be fought more on the basis of personalities, past record, and symbols especially during the independence struggle, rather than on the basis of ideology. The evident lack of means of most parties and independent candidates to wage a campaign led UNTAET to seek donor support for a modest programme of in-kind assistance to all registered parties and independent candidates.

7. In June and July 2001, over 36,000 East Timorese, nearly 10 per cent of the electorate took part in hearings convened by the 13 district constitutional commissions. The hearings were on systems of government, basic rights and other issues to be included in the constitution. The views, along with those of political parties, will be conveyed to the Constituent Assembly. The Assembly will meet from 15 September 2001, with a target of 90 days in which to draft a constitution. The Assembly will also perform essential legislative functions, under the authority of the Transitional Administrator, who will continue to exercise ultimate executive and legislative authority until independence. The Assembly may decide to remain in existence as the legislature of independent East Timor.

8. During the last six months, the nine-member Cabinet composed of East Timorese and United Nations staff members and, presided over by my Special Representative, has continued to meet on a regular basis. This Cabinet has been an effective and cohesive instrument of government, directing the work of the East Timor Transitional Administration (ETTA) and determining policy. It has established a good working relationship with the National Council, even though the Council did not always approve draft regulations sent for its consideration, including legislation on the legal establishment of ETTA itself.

9. My Special Representative intends to appoint, on 15 September 2001, a new and enlarged transitional Cabinet composed entirely of East Timorese. The composition of this Cabinet of National Unity, expected to see East Timor through to independence, will broadly reflect the outcome of the election. This administration is expected to be larger in size with more Cabinet portfolios, intended to more closely prefigure the government structure of an independent East Timor.

III. East Timor Transitional Administration

10. As the political process moves towards independence, the work of ETTA is focused on the achievement of a series of benchmarks, as outlined in the annex, that set out the steps in the transition of the Administration to an independent Government of East Timor.

11. In the last six months, steady progress has been made in achieving targets in civil service recruitment and training, and adopting legislation on employment and labour administration, minimum wages, labour relations and termination of employment. Attention has also focused on ensuring the successful administrative hand-over to an independent East Timorese Government. Economic growth remained strong, driven by the high demand for services in Dili, and Government/donor-assisted agricultural recovery. The participation of the East Timorese in these industries and the recruitment of East Timorese civil servants have increased their purchasing power. Sustained private sector growth was, and will continue to be, limited until the question of property rights and land titles is resolved, and a regulatory framework for commercial activity established. Progress was hampered by the continued poor state of internal

roadways, due to the combined effects of the rainy season and the usage of heavy vehicles. Over $8.5 million was spent on rehabilitation and maintenance of core road networks.

12. On 5 July 2001, Australian and East Timorese Cabinet ministers initialled the Timor Sea Arrangement, the culmination of 16 months of negotiations during which East Timor's negotiating team, jointly headed by an international and an East Timorese Cabinet member, represented the position defined by East Timor's Cabinet. The Arrangement provides East Timor with 90 per cent of the oil and gas production in the area covered under the 1989 Australia-Indonesia Timor Gap Treaty. Equally important, the Arrangement gives East Timor control over the development of its own fiscal scheme for future developments and taxation in the area. By contrast, under the Australia-Indonesia Treaty, revenues were split equally between the two countries and the fiscal arrangements were frozen. In the coming weeks, the negotiating team will begin negotiations with companies on fiscal issues related to gas developments. The Arrangement will come into effect as a treaty only when approved, signed and ratified by the elected Government of East Timor.

13. East Timorese have been integrated into all major decision-making areas within the Transitional Administration. To date, 9,266 of the 10,554 civil servant positions have been filled. Notably, 20 East Timorese heads of office have taken on responsibilities of senior management, including the selection of personnel for the intermediate and lower levels. The transfer of authority has also extended to the districts, where all 13 district administrators and their deputies are now East Timorese, one third of whom are women. The Administration's Civil Service Academy has organized induction courses and conducted skills training in management, computers, language and good governance. More than 2,500 people have participated in this training so far.

14. The reconstruction of 13 major public buildings of the East Timor Transitional Administration has been completed, including the Court of Appeals, Central Payments Office, Police Academy, Water Department, Civil Service Academy and the post office in Baucau. Still under reconstruction are 12 public buildings in Dili which will house the future ministries of education, justice and telecommunications, the central administrative service warehouse, a national records centre and a national planning and development agency. Seven buildings are under reconstruction in Baucau, Ermera, Liquica, Maliana, Oecussi and Viqueque districts. Additional rehabilitation work has been conducted on UNTAET facilities throughout East Timor.

Finance

15. The fourth donors' meeting on East Timor, held in Canberra on 14 and 15 June 2001, endorsed a combined-sources budget of $65 million for East Timor for the fiscal year 2001-2002. A deficit of around $20 million will need to be financed from donor contributions. While the meeting was not a pledging session, some donors indicated they would provide additional contributions to the budget. Of particular concern to donors was the size of the recurrent budget in successive financial years. Investments incorporated in this $65 million budget and policies already adopted will lead to future recurrent commitments, for example, police and defence forces, foreign representation and subsidized tertiary education, raising expenditures to $100 million by 2004-2005. All donors emphasized the need for fiscal sustainability and urged that the policies driving expansion in the recurrent budget be carefully examined before future costs are locked in. The need to strengthen revenues, particularly the recovery of utility costs, was emphasized. On the other hand, donors accepted their responsibility to take recurrent expenditures and future budgetary implications into account when designing their assistance programmes. Against this background, donors called on the future East Timorese Administration to develop a clear plan for medium-term expenditures, with an emphasis on reducing poverty.

16. Expenditure under the UNTAET Consolidated Trust Fund and the World Bank-administered Trust Fund for East Timor for 2000-2001 reached about $110 million. United Nations agencies expended some $64 million. Commitments to the Trust Fund for East Timor were largely on track, but there was a need for additional commitment authority for the new fiscal year to follow through on the Trust Fund's work programme as approved by the East Timorese Cabinet. In regard to the consolidated budget, roughly 60 per cent was financed by donor contributions, compared with 40 per cent from revenues from taxes or other income.

17. The sectoral breakdown of the current and proposed spending from the UNTAET Consolidated Trust Fund is strongly supportive of sustained long-term development, with 40 per cent of the spending directed towards health and education. A further 25 per cent is spent in agriculture and infrastructure, the development of which is critical to private sector recovery and growth. The rise in revenues from the Timor Sea, which are expected to come in sometime in 2004, will be significant for East Timor. The precise amount, however, cannot be predicted with any certainty. The administration and the future Government of East Timor will need to adopt a fiscal policy that prudently manages resources, with a view to reconciling capital and recurrent expenditures over the medium term. The current budget was seen as a good step in this direction.

Economy

18. Agriculture is the single largest contributor to the East Timorese gross national product. Efforts to increase crop production with the aim of ensuring food self-sufficiency and food security, together with a relatively favourable climate in early 2001, have seen the volume of agriculture production continue to recover, approaching estimated levels before the violence in 1999. The Division of Agricultural Affairs of the ETTA Department of Economic Affairs has distributed more than 900 metric tonnes of fertilizer to all relevant districts. However, income generation from crops is affected by several factors: poor road conditions, rice crops competing with low-cost imports from other parts of South-east Asia, and low coffee prices. To extract the top quality coffee beans that buyers seek, East Timorese farmers also need training on processing methods.

19. The Division of Agricultural Affairs has completed its vaccination programme, the rehabilitation of a quarantine station, and the distribution of animal health guidelines. It is also importing 2,000 cattle and buffalo in 2001. The irrigation section has repaired and maintained community irrigation systems covering more than 5,000 hectares of irrigated land, and rehabilitated 50 kilometres of access roads. The fisheries and marine service has worked with businesses and civil society to provide fishing equipment for East Timor's fishermen. After broad consultations, the Cabinet approved a national forestry programme and policy statement that is consistent with international standards. This community-based programme has empowered local communities to manage their natural resources in a sustainable manner.

20. The Cabinet established a mineral resources section in the Department of Economic Affairs to manage and regulate natural resource exploration and exploitation activities. The World Bank's Small Enterprises Programme has generated 1,296 direct jobs, one third of which are occupied by women. In the first round of applications, the disbursement of more than 300 loans, amounting to close to $4 million, was approved. Approximately 17 per cent of the loans have been granted to women recipients. UNTAET, together with the World Bank, is appraising a second small enterprises loan programme of $7.5 million. Close to 4,500 businesses have been registered since April 2000, more than 80 per cent owned by East Timorese. The micro-finance development project run by the Asian Development Bank has made initial contacts with credit unions and undertaken needs assessments. The project aims to generate income for 21,000 poor rural households, in part through the establishment of a micro-finance bank.

21. A key objective of infrastructure activities has been to develop independence from government subsidies. The power supply and aviation and maritime agencies are to take the lead, with the aim of becoming self-sustaining within the 2001-2002 fiscal period. Civil aviation has seen the arrival of a new head, and a contract has been granted to a Portuguese consortium to manage the Dili International Airport. Improvement to the airport's runway, communications and passenger terminals has attracted new passenger services, and fares to certain destinations have been reduced as a result of increased competition. The port of Dili can now handle up to 40 vessels, 1,800 containers and 370 vehicles a month and is bringing in significant revenue to the Transitional Administration. Post and telecommunication services continue to improve, with wider access to telephones and agreements with Australia and Portugal to facilitate international postal traffic. The Border Service revenue collection has surpassed estimates by almost 40 per cent for the first year of operation. Penalties alone account for the entire salary budget of East Timorese officers. The Service has also issued over 8,500 travel documents for East Timor's residents.

22. A joint project by the International Labour Organization and the United States of America, budgeted at over $750,000 for the improvement of labour relations in East Timor, was approved. United Nations agency support, in conjunction with the Bretton Woods institutions, has been key, through the conduct of poverty assessments as a basis for national planning. The United Nations Development Programme (UNDP) has formulated a programme, for which funding is sought, under which 234 East Timorese will develop the skills and experience needed to organize elections in the future. United Nations agencies are also supporting capacity development for civil society, especially NGOs and women's groups, to facilitate their effective contribution to the nation-building process. The United Nations agencies initiated the United Nations Development Assistance Framework (UNDAF) process in early 2000, resulting in the publication of a common country assessment in November 2000. The country assessment provided the first comprehensive assessment of the development situation. The national priorities and needs addressed in the country assessment will be incorporated into the UNDAF process, which is scheduled to be completed by the end of the year.

Education and social services

23. An original target of rehabilitation of 2,100 classrooms has been increased to 2,733 throughout the territory to accommodate higher-than-predicted enrolment numbers. As of July 2001, 373 schools holding a total of close to 2,000 classrooms have been rehabilitated to the basic operational level. Work continues on 47 schools, while agreements have been signed for the remaining 114 to be rehabilitated, and contracts approved for construction of five primary and secondary schools in Baucau, Maliana, Manatuto, Oecussi and Same. Over 600 sets of school furniture have been provided to supplement the available stocks in East Timor. Teaching packages have been ordered and more than 1,700 (approximately 75 per cent of the start-up requirements for the academic year) have been delivered to the schools and assembled. The Health in School Initiative trained primary school teachers in Dili to use simple approaches to screen the eyesight of children, and has provided water and sanitation facilities for 40 primary schools.

24. Although education receives a significant portion of the budget allocations and bilateral assistance, development of the education sector still faces considerable obstacles, including a continuing need for teacher training and equipping of schools. The introduction of Portuguese and Tetum as new languages of instruction in primary schools has been an additional constraint.

25. In the health sector, the last six months have seen an increase in reproductive health services within the framework of a two-year plan of action for reproductive health jointly created by ETTA and United Nations agencies. The latter is facilitating the provision of medical supplies and training. A national polio immunization programme jointly created by ETTA and United Nations agencies has achieved 80 per cent coverage, though overall national immunization rates, at 15 per cent, are still low. Agencies supported the formulation of a mental health policy that is under implementation. Recognizing the existence of factors that could favour an increase in the incidence of human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS) in East Timor, the Health Division, together with United Nations agencies, has established a group to develop a culturally sensitive programme for the prevention of sexually transmitted diseases, including HIV/AIDS.

26. During the past six months, there has been a progressive shift towards management of the health sector by East Timorese. Recruitment of staff is nearing completion, including 18 senior staff members who were inducted as the leaders of the health service on 7 June 2001. Construction of Trust Fund-financed community health centres was initiated, beginning with the Dili centre. Twenty-one other centres will follow, together with a national medical store. The latter is the key element in the establishment of an autonomous medical supply system. Since the start of the mission, the community has received clinical services through a network of 64 community health centres, together with 88 health posts and 117 mobile clinics. On 29 June 2001, the Dili National Hospital was transferred from the International Committee of the Red Cross to ETTA. Four additional hospitals will be reconstructed or rehabilitated under the second health sector development project, which is now fully funded.

Foreign affairs

27. The ETTA Department of Foreign Affairs has focused on the recruitment and training of foreign service officers. Twenty East Timorese have been recruited after having completed their basic diplomatic training in Dili and abroad, with an additional 15 people currently in training. The Department continues to work towards membership in the Association of South-East Asian Nations (ASEAN). Relations with Indonesia have progressed in a number of areas, including on border issues through the implementation of the Joint Border Committee arrangements. Discussions are still being held on the continuation of pension payments for former Indonesian State employees residing in East Timor beyond independence.

Reconciliation and justice

28. The East Timorese leadership has stepped up its reconciliation efforts in recent months. Xanana Gusmão met with militia leaders on the border in early July 2001, and Bishop Basilio Nascimento of Baucau, together with six local chiefs from East Timor, visited West Timor in May. The reconciliation initiatives led by UNTAET have sought to encourage the return of those refugees still in West Timor, with a view to ensuring the long-term stability of the Timorese society. These initiatives are being taken through a district-by-district approach, beginning with Baucau and Ainaro.

29. On 20 June 2001, after broad-based consultations with civil society and the justice system, the National Council finalized and endorsed a regulation establishing a Truth, Reception and Reconciliation Commission. The Commission will enable the East Timorese to create a public record of human rights abuses since 1975, to facilitate the reintegration of returning refugees and to promote community reconciliation by dealing with low-level offences committed in 1999.

30. Despite persistent efforts by UNTAET, the memorandum of understanding on cooperation in legal, judicial and human rights matters, concluded with Indonesia on 6 April 2000, has so far failed to yield results. The Indonesian authorities remained reluctant to implement section 9 of the memorandum, which allows for the transfer of persons for purposes of prosecution. Moreover, the establishment of a special human rights tribunal in Indonesia for the prosecution of serious crimes against the East Timorese people remains outstanding, making it impossible to bring to justice the first 23 suspects of serious crimes in East Timor, identified in September 2000 by the Indonesian authorities concerned. While the Government of Indonesia has expressed its readiness to do so, it has yet to amend the 24 April 2001 decree establishing an ad hoc tribunal for East Timor to extend the tribunal's jurisdiction to human rights violations committed throughout 1999, and not limit it merely to those committed after East Timor's popular consultation of 30 August 1999. The Indonesian Attorney-General has not yet appealed against the extremely light sentences handed down by a Jakarta court to six men in connection with the murder of three workers of the Office of the United Nations High Commissioner for Refugees (UNHCR) in Atambua on 6 September 2000. On 9 July 2001, however, Indonesia did dispatch prosecutors to East Timor for investigations in connection with the murder of a New Zealand soldier, Private Leonard Manning, in Suai district on 24 July 2000 (see S/2000/738, para. 53).

31. The Serious Crimes Investigation Unit of the Office of the East Timor General Prosecutor has continued to focus on the investigation of 5 of the 10 priority cases: the Liquiça church massacre of 6 April 1999; the killings at the house of Manuel Carrascalão on 17 April 1999; the killings at the Maliana police station on 8 September 1999; the killings of clergy and other persons and the deportation or forcible transfer of the civilian population in the Lautem district from April to September 1999; and a case of violence against women in Lolotoe (Bobonaro district). The first trial on charges of crimes against humanity began in July with 11 persons accused of war crimes in the Lautem case. Additional indictments were filed on 6 February 2001 in the Lolotoe case, and on 2 May and 6 June 2001 in the Liquiça church case. The first verdict was delivered in the Lolotoe case in January 2001, resulting in the sentencing and imprisonment of one former militia member. Faster progress overall has been hampered by a lack of translators.

32. The justice system investigated 210 ordinary criminal cases over the past six months. Indictments were filed in 118 cases, 54 of which have gone to trial, and 8 were settled through court-brokered mediation. For the four district courts in East Timor, on-the-job

training and mentoring of East Timor's 25 judges, 13 prosecutors, 9 public defenders and 25 court clerks have been intensified. The rehabilitation of three detention centres and on-the-job training of 125 prison guards is increasing the effectiveness of the penitentiary system. The justice system continues, however, to be severely lacking in both physical and human resources, which is hampering its development.

Police

33. The United Nations civilian police, with a presence of 1,419 officers, has continued its dual role of maintaining law and order and building the East Timor Police Service. Special preparations are under way to ensure public safety during the upcoming elections, and community-policing activities are being conducted to pre-empt any campaign-related violence. A monthly average of 300 crimes have been reported to the police, half of which constitute cases of theft or personal assault, in particular domestic violence, and criminal investigations have been completed in over 80 per cent of the cases.

34. To date, 779 officers have been recruited into the East Timor Police Service, against its target strength of 3,000. As of July, a total of 177 command-level East Timorese officers have been deployed. An additional 300 cadets are currently in training at the East Timor Police College, whose leadership is now assumed by East Timor' s highest-ranking police officer. A specialized unit for close protection has been trained and made operational. Units for vulnerable persons and for traffic investigations have also been trained and made operational throughout the territory. All the training strategies aim at enhancing a culture of protection of human rights, according to international police and justice standards.

35. It is intended to establish East Timorese specialized police units for crowd management — equivalent to the rapid response units of the UNTAET civilian police — as well as public order task forces. The establishment of such units and task forces is of priority, to enable the East Timorese to play an increasingly greater role in enforcing public security. The crowd-management specialized police units, which will also perform routine patrols and traffic control duties, will be established in the most sensitive districts of East Timor. Fifty-eight East Timorese police officers are currently attending a specialized crowd-management course at the Police College. On completion of the course, there will be a 44-man-strong specialized police unit for crowd management in Dili and a 14-man-strong unit in Baucau. Further crowd-management courses will run regularly. In the country's remaining districts, there will also be a need for police officers trained and equipped to deal with small-scale public order issues. These officers, who perform routine police duties, will assemble in task forces when the need arises.

36. A small National Disaster Management Office was established within the Department of Police and Emergency Services of the Transitional Administration. An initial national framework, spanning preparedness, response, recovery, prevention and mitigation, was approved by the Cabinet in March 2001 and a National Disaster Management Committee was formed, which embraces a multi-sectoral approach. Within its first six months, the National Disaster Management Office coordinated emergency relief for over 5,600 people in six districts, in partnership with United Nations agencies, NGOs and community organizations. Recent relief operations were launched as a result of severe flooding, including a very large relief operation in the district of Lautem. A year-long UNDP-funded disaster management project is due to begin in August 2001.

Human rights

37. In addition to facilitating and monitoring the safe reintegration of refugees returning from West Timor, the Human Rights Unit of UNTAET continues to assist in the development of East Timor's national institutions, such as the police, the courts and the prisons, to protect and promote human rights. It does this by monitoring, inter alia, the compliance of the United Nations peacekeeping force and civilian police with international human rights standards, the functioning of the administration of justice system, human rights violations against women and minorities, political party activity, and the use of traditional mechanisms to resolve disputes.

38. The Human Rights Unit undertakes a number of other capacity-building activities with the support of the Office of the High Commissioner for Human Rights, including the provision of human rights training for the East Timor Police Service, the United Nations civilian police and East Timorese human rights NGOs, as well as East Timorese human rights interns

recruited by the Unit to work with its international officers in the districts. The Unit otherwise supports the work of NGOs by disseminating international human rights promotional and training material and developing a mechanism through which information collated and analysed by the Unit and East Timorese NGOs will be preserved and accessible for future use.

39. The Human Rights Unit works in cooperation with other UNTAET units to support the constitutional consultative process. This includes support for NGOs in their information campaign on the nature of a constitution, relevant human rights issues and the rights of the East Timorese in the process, and the provision of human rights training for those who will conduct the constitutional consultations. The Unit is also a member of the Cabinet Legislation Committee and reviews all proposed legislation to ensure compliance with international human rights standards. The Unit is working to prepare East Timor for ratification of key international human rights treaties upon independence.

Defence

40. The Office of Defence Force Development was established in January 2001, with an East Timorese head and expert personnel seconded from bilateral donors. Legislation establishing the East Timor Defence Force (ETDF) was approved by the National Council and signed into law by the Transitional Administrator on 31 January 2001. To date, 594 of the 1,500 regular soldiers have been recruited into the Defence Force, the vast majority of whom have been drawn from the ranks of the former Armed Forces for the National Liberation of East Timor (FALINTIL).

41. On 7 July 2001, new permanent barracks for ETDF were opened at Metinaro. On 21 July 2001, the first 247 cadets graduated from their basic training in a ceremony in Aileu. Advanced training will soon commence, as will a new class of basic training for 347 additional cadets.

42. A five-year plan for the future development of ETDF was presented at the second international conference of interested parties on the establishment of ETDF, held on 25 and 26 June 2001. The first battalion of 408 soldiers is scheduled for operational deployment mid-2002. While training, infrastructure and equipment for ETDF depends on voluntary contributions, personnel, operating and maintenance costs will be borne by the Government of East Timor.

Public information

43. UNTAET provides East Timor with 24-hour radio broadcasts, transmitted in four languages, and remains the most effective way of reaching the population in all districts, as well as a large number of refugees in West Timor. East Timorese hold 22 out of 34 positions in the radio service. UNTAET runs East Timor television, which covers Dili directly, and since June 2001, Baucau with a 24-hour delay. Its television unit also distributes tape packages to the districts, which are then shown by mobile units. The unit has contributed to the civic education campaign, with the production of audio-visual educational material. A monthly newspaper with a circulation of 100,000 is printed in four languages. A small media development unit is focusing on helping the independent East Timorese press re-establish itself. This unit has been the catalyst in bringing together a print consortium, jointly owned by local publishing groups and NGOs, and now printing a number of local publications in Tetum and Bahasa Indonesian.

IV. Refugees

44. On 6 and 7 June 2001, the Government of Indonesia registered the refugees in Nusa Tenggara Timur to determine their number and to ascertain if they wished to return to their homes or to resettle in Indonesia. Twelve international observers, including members of UNTAET, the International Organization for Migration (IOM) and the diplomatic corps in Indonesia, visited 120 registration sites on 6 June to observe the first day of registration. They concluded that, overall, the registration process and balloting had been carried out on that day "in a manner that respected procedures and confidentiality to an acceptable degree" (see S/2001/621, annex).

45. The final registration results have not yet been announced, as the Government of Indonesia is vetting duplicate registration forms and categorizing the findings. The preliminary results reported by the Government of Indonesia indicated that, of the 113,791 refugees who participated, 98 per cent opted to remain in Indonesia (see S/2001/621). While these preliminary

results may have accurately indicated the refugees' choice on the day of registration, there is some question as to whether it reflects their long-term intentions. Continued disinformation and intimidation in the camps prior to the registration process, feelings of uncertainty on the part of refugees about the political process in East Timor, and a lack of clarity as to whether the benefits to which they are entitled in Indonesia would continue in East Timor, may have contributed to their reluctance to return at this stage. UNHCR has continued to urge the Government of Indonesia to give priority to the return of those who have opted to repatriate, as they may be subject to reprisals if their decisions become known.

46. There has been no permanent presence of internationally recruited United Nations staff in West Timor since Security Phase V was effectuated, following the murder of three UNHCR workers in Atambua on 6 September 2000. Although the Government of Indonesia has not yet implemented all the measures called for by the Security Council in its resolution 1319 (2000) of 8 September 2000, including the disarmament and disbandment of the militias, the United Nations Security Coordinator dispatched an inter-agency security assessment mission that visited West Timor from 6 to 14 July 2001. The mission is currently analysing its findings before reporting to me.

V. Security

47. Since December 2000, there has been an overall decrease in the level of direct contact between militia forces and the UNTAET military component. The total number of suspected militia sightings for the period was below 30, while there were only nine contacts between suspected militias and the peacekeeping force. A serious shooting incident in the border village of Nunura, Bobonaro district at the beginning of the year was followed by a period of low-level incidents. However, an aggressive attack against UNTAET troops on 2 April 2001, the first direct attack of 2001, was immediately followed by six further incidents, one of which resulted in the death of a resident East Timorese villager with no known militia or criminal connections.

48. Illegal cross-border trade and movement have been associated with serious security incidents and remain of considerable concern. On 29 May 2000, a grenade attack in Maubusa market, Bobonaro District, in a creek bed on the Tactical Coordination Line (the boundary agreed to by UNTAET and the Indonesian armed forces pending a formal agreement demarcating the border) resulted in significant civilian casualties. Those responsible for the incident are suspected militia members involved in illegal gambling. Continued access to militia weaponry raises the threat posed to both security forces and the local population by criminal activity and the escalation of civil disputes.

49. Some militia leaders have continued on a course towards reconciliation and this trend has increased during the last six months. However, there is evidence that the unacceptably light sentences handed out to six individuals who pleaded guilty to involvement in the killing of three UNHCR staff members in Atambua on 6 September 2000, and the insignificant charges and jail term handed out to a well-known militia leader, have encouraged some hard-line militia elements to plan the resumption of offensive operations designed to destabilize the situation in East Timor in the lead-up to the elections and independence. There is concern that some militia elements have adopted a strategy of lying low until independence in the belief that the international military presence will be removed from East Timor.

50. The ability of militias to operate and train unhindered in some areas continues to be of concern. Militia weaponry has been reduced through operations conducted by the Indonesian armed forces and overt carriage of weapons in West Timor appears to have decreased. However, militia still retain easy access to caches of modern weaponry for operations, including hand grenades, semi-automatic and fully automatic small arms. Hard-line elements capable of operational and tactical leadership also remain able to operate from West Timor.

51. Within East Timor, there remains the potential of communal or inter-party violence over the transition period. Sporadic incidents in East Timor have developed rapidly into larger clashes and house burnings, as was the case in Baucau and Viqueque in early March 2001 and again in Baucau in late May 2001. Many Timorese remain afraid of multi-party politics, associating them with the confrontation and violence of the past. In response, UNTAET and ETTA continue to upgrade security measures entailing a coordinated approach between the civilian, military and police components. The current strength of the UNTAET Force is 7,953 for all ranks, compared with its authorized strength of 8,950.

VI. Successor mission

52. In my report of 16 January (S/2001/42), it was stated that, once independent, East Timor would still require substantial international support to be provided through an integrated mission mandated by the Security Council and funded from assessed contributions. In its resolution 1338 (2001) of 31 January 2001, the Security Council requested detailed recommendations for a substantial international presence in East Timor after independence, developed with the East Timorese people and in coordination with the other relevant international and bilateral actors, in particular the international financial institutions and the United Nations funds and programmes.

53. Planning for such a presence has been undertaken by the Working Group on the Post-UNTAET Planning in East Timor, together with an Integrated Mission Task Force in New York. Significant progress has been made in identifying those areas requiring ongoing support. Efforts are now focused on identifying specific functions and timelines and consultations continue. The plan will be refined to reflect the structure of an independent Government of East Timor, which will only become clear once the Constituent Assembly's deliberations have progressed. Notwithstanding the aforementioned, it is clear that there will be a substantial reduction in the overall presence.

54. The civilian component of the mission would include the essential elements of a sizeable operation headed by a Special Representative of the Secretary-General. It is envisaged that the UNDP Resident Representative/United Nations Resident Coordinator would be appointed as the Deputy Special Representative of the Secretary-General. They will be supported by a small political office. There should also be a legal adviser's office, a gender focal point, an office of public affairs and an office of administration. The mission should also retain a liaison office in Jakarta. It is my conviction that an effective human rights component should be an essential part of the mission. It is likely that an electoral assistance component will be required.

55. Despite considerable progress in the recruitment of Timorese civil servants, most of them will have been in place, at independence, for only 6 to 12 months, and the systems they work with will still be new and fragile. Many new staff members have been recruited at a level where they have good potential to fulfil their responsibilities, but will need to continue to receive training and support to do so confidently. It will therefore be necessary to maintain within the mission a small team of professionals in various fields, to continue the work of Timorization and skills transfer. These officers would provide the Timorese authorities with assistance in areas that are absolutely critical to effective government, such as executive and central management, financial resource management, justice and human rights and security as well as areas of national sovereignty, such as border control. It is anticipated that these functions will not be required for longer than two years, and the majority for shorter periods. UNDP has already succeeded in identifying the needs of the immediate post-independence period in a detailed report on capacity building of governance and public-sector management presented at the Canberra Donor Conference in June 2001. UNTAET is completing an assessment of the total skills package that will be available from all donor sources, to keep to an absolute minimum the number of staff needed within the new mission. In the post-election period, it will be essential to have a detailed dialogue with the East Timorese on this process, not only in terms of the number of experts involved but also to develop mutually acceptable and effective mechanisms for the recruitment and management of this component of the mission. An innovative approach will be required in these areas.

56. Without prejudice to ongoing planning, it is estimated that ETTA staff funded from assessed contributions who advise ETTA will be reduced by approximately 35 per cent by the end of October 2001. By the end of the current mandate, it should be possible to eliminate about 75 per cent of the international civilian staff of ETTA, and up to 20 per cent of the international civilian staff now working in the UNTAET administration. My Special Representative intends to provide details of this downsizing in the context of the budget discussions that will take place later in the year, and will be reported to the Security Council in October 2001.

57. The development and training of the East Timor Police Service is proceeding in accordance with a phased plan that provides for the achievement of its full strength of 3,000 by the end of April 2003. Until that time, when all 3,000 East Timorese police officers are fully trained and able to take on normal policing

functions, a United Nations civilian police presence will be required. The latter's role will continue to be one of executive policing, gradually shifting to one of mentoring and monitoring, as the East Timorese police assume increased responsibility for public security functions. Subject to further review, it is envisaged that, while the United Nations civilian police will be reduced, it should maintain a substantial strength until the East Timorese police are fully trained and deployed.

58. As mentioned earlier, there is continuing concern about security in East Timor. Infiltration by militia groups remains at a relatively low level but, as long as they have not been disbanded by the Government of Indonesia, they will continue to pose a threat to both the internal stability of East Timor and the well-being and security of refugees remaining in West Timor. There will thus be a need for a United Nations force to continue, in close coordination with the Government of East Timor, to maintain a secure environment, with a particular emphasis on a robust presence in the border areas. Accordingly, a strong combat force should be deployed at its current level in East Timor's border regions and in the Oecussi enclave. In the eastern sector, the number of infantry battalions could be reduced from three to one, provided the security situation remains stable. Subsequently, a similar reduction could take place in the central sector, bearing in mind its more complex security profile.

59. The peacekeeping force should be highly mobile, with the ability to counter any external threat and provide security support at any trouble spot inside the country. Sufficient troop-carrying capacity, engineer, aviation and communications resources to maintain a high level of tactical mobility in the border regions and to other parts of the country would be necessary, as well as appropriate logistic support. Once the conditions are met for withdrawal from the central and eastern sectors, engineer support would then be reduced to half its current level. Streamlining of other areas of support would allow further reductions in personnel within force units and headquarters. The military observer group would also be reduced from its current size, and its focus would be on the border regions.

60. The security situation will be kept under constant review, and I shall inform the Security Council accordingly. I intend to make further recommendations on the size of the police and military components in a later report to the Council, in line with the security and threat assessment conducted after the elections.

VII. Financial matters

61. The General Assembly, in its resolution 55/228 B of 14 June 2001, authorized the Secretary-General to enter into commitments in an amount not exceeding $282 million gross for the period from 1 July to 31 December 2001. Should the Security Council decide to extend the mandate of UNTAET, the cost of maintaining UNTAET would first be met within this initial level of resources approved by the Assembly. The proposed budget for UNTAET for the full 12-month period from 1 July 2001 to 30 June 2002 is currently under preparation and will be submitted to the General Assembly at its fifty-sixth session. As at 30 June 2001, unpaid assessments to the Special Account for UNTAET for the period since its inception on 1 December 1999 amount to $262.6 million. The total outstanding assessed contributions for all peacekeeping operations amounted to $2,274.4 million.

VIII. Conclusions

62. The past six months have been a most productive period, during which the East Timorese people, in partnership with the United Nations, but increasingly on their own, have made broad advances on the path to independence and self-government. While a number of serious incidents have occurred, the overall security situation in East Timor has been stable. Meanwhile, UNTAET is making sure that the election for the Constituent Assembly to prepare a constitution for an independent and democratic East Timor is free, fair and orderly.

63. The district-level public hearings of the past two months, in which thousands took part, were an extraordinary expression of popular participation in the political process of East Timor. It is clear that the debate on the future Constitution is drawing intense interest from broad segments of the population. The East Timorese leaders have acted with great responsibility to promote peace, tolerance and mutual respect, as reflected in their pact of national unity. This augurs well for East Timor's future. Of course, many difficulties and challenges lie ahead for this fledgling nation. A key task is the establishment of effective

administrative institutions that are fiscally sustainable. It will be essential to stay a steady course, to ensure the smooth formation of the Constituent Assembly and the new Cabinet and to maintain a peaceful environment for the debate over the first constitution of East Timor and the transition to independence.

64. As East Timor goes through this critical phase of the transition period, the United Nations will continue to refine plans for the successor mission of UNTAET, on the basis of the concept of operations outlined above, but in keeping with a flexible approach that would take into account the evolving situation on the ground. I intend to closely follow the developments in the coming months, and to revert to the Security Council with a further report towards the end of October 2001, when the elections will have been held, the Constituent Assembly and the restructured Cabinet will have been formed and will be fully engaged in their work, and a clearer picture of future requirements will have emerged.

Annex

Key benchmarks: expected achievements by end of reporting quarter[a]

Table 1

	Political affairs	Administrative handover	Defence force	Foreign affairs	Law and order
December 2000		✓ Training plans completed by department • Options paper to address supply/procurement issues 80% Review/revision of departmental organigrams and staffing plans *(currently at 95%)* ✓ Review/revision of recruitment process and criteria ✓ Recruitment process for all director-generals and >35% of level 5-7 process initiated	✗ Selection of personnel and coordination of overseas training opportunities decided *(achieved in April)*	• Foreign Affairs Department staffed at 50% ✓ Organigrams and structures in place	✓ 250 trained local police ✓ Phase 1 of *Integration Plan* completed – *Restructure of CIVPOL* ✓ Dili, Baucau and Oecussi District Courts fully operational 60% Becora, Gleno and Baucau Prisons fully operational *(achieved)*
Jan	*Workshops to agree detailed implementation strategies held in all sectors*				
March 2001	✓ Endorsement by the National Council, and approval by the Transitional Administrator of a Regulation on the election of a Constituent Assembly ✓ Announcement by the Transitional Administrator of 30 August as Election Day for a Constituent Assembly ✓ Selection of candidates and establishment of the Independent Electoral Commission and formal establishment of an Electoral management body ✓ Start of nationwide civil registration, leading to publication of an electoral roll • Agreement on nationwide campaign of civic education developed in conjunction with local NGOs ✓ Decision by the National Council and/or Cabinet of a directive or regulation on the establishment of constitutional commission(s)	✗ >85% of directors-general recruited *(currently 77%)* • >60% of level 5-7 recruited, exception of school principals and chief nurses ✗ *Lei Organica* Admin. Law *(not achieved)* ✗ *Lei da Função Publica* Public service act *(partially achieved)* • >20% capital budget and >40% goods and services budget disbursed by dept. ✗ Plan for systems and data handover completed • Review of salary and grading scale completed ✓ Anti-corruption strategy	✓ Selection of personnel and coordination of overseas training opportunities decided ✓ Legislation establishing the defence force and the reinsertion framework introduced ✓ Ex-combatant reinsertion framework introduced	✓ Foreign Affairs Department fully staffed ✓ Inter-departmental and inter-service mechanisms in place to deal with continued border relationships with Indonesia and Australia 20% Development of a framework for consular affairs services *(partially achieved)*	✓ Total of 500 trained local police ✗ Phase 2 of *Integration Plan* executed. *Pilot Village Police Posts (not achieved)* ✓ Suai Court operational ✗ Criminal registry introduced *(not achieved)* ✗ Notary service introduced *(not achieved)*
May	*Comprehensive review of sectoral plans, including progress against targets and modifications of targets undertaken*				

	Political affairs	Administrative handover	Defence force	Foreign affairs	Law and order
June 2001	✓ Commissioners are sworn in collectively by the Transitional Administrator ✓ Nationwide campaign of public education on basic constitutional themes and issues (to 15 May) ✓ Independent Electoral Commission holds first sessions ✓ Civic education programmes delivered at the grassroots by East Timorese trainers ✓ Political party agents recruited and trained ✓ Civil registration concluded (20 June) Electoral roll produced[b] ✓ Voter and electoral system information campaigns launched ✓ District-level electoral staff recruited	✓ >90% of level 5-7 recruited ✗ >70% of positions with statutorily established authority held by East Timorese ✎ >40% of training days delivered against plan ✓ >60% capital budget and ✓ >80% goods and services budget disbursed by dept ✗ Agreed performance management system introduced for 2001-02	✓ 600 soldiers recruited ✓ Reinsertion programme fully operational	✓ Fully functioning Department of Foreign Affairs ✓ Proposal for foreign representation brought forward in budget context ✓ Continuation of intensive diplomatic training for all staff	✓ Total of 800 trained local police ✗ Phase 3 of the *Integration Plan: Extension of village posts to remaining districts* ✎ Completion of the *needs analysis study* to guide development of the *Integration Plan* ✎ Law Reform Commission established
September 2001	Finalization of party slates of candidates and lists of independent candidates Official start of a six-week electoral campaign (15 July). Completion of draft report to the Constituent Assembly Final voters roll (12 August). Recruitment and training of vote counting staff. End of the electoral campaign (25 August). Election Day (30 August). Counting of votes and compilation of results (to 6 September). Announcement of certified results (9 September). Seating of 88-member Constituent Assembly (15 September).	>90% of level 1-4 recruited. >90% of positions with statutorily established authority held by East Timorese. Reductions in international staff as per plans. >65% of training days delivered against plan. Capital and goods and services spending within 10% of central fiscal authority estimates. Performance management system introduced for 2001-02. Options paper on alternative civil service structures and costs.		Identification and prioritization of international instruments to which East Timor should accede	Total of 1,050 trained police. This includes some 400 ex-police, thereby providing the force with experience.

	Political affairs	Administrative handover	Defence force	Foreign affairs	Law and order
		Post-UNTAET presence in place. 100% of training days delivered against plan. Training plans for 2002 by dept. Capital/goods and services spending within 10% of central fiscal authority estimates. Develop an accreditation system for professional training courses and on the job experience.[a]	600 soldiers recruited and trained.	Plans for exchange of diplomatic relations with key countries finalized. Plans for membership in the United Nations finalized.	Total of 1,200 local trained police. Final target is 3,000. Phase 4 of the *Integration Plan*: *"Half-way"—identification of locations for 221 village police posts.* Ministry of Justice to be fully staffed by East Timorese.

Key: ✓ Achieved or expected to be achieved by 30 June 2001.
% Partially achieved (percentage indicated where possible).
✗ Not achieved.
• Achieved in subsequent quarter.

[a] Where the benchmark was not achieved by the end of the quarter for which it was set, an update of its status at end-June has been indicated in parentheses and italics. All June benchmarks represent projected outcome.

[b] The electoral roll, which is derived from the civil registration data, is scheduled to be produced in early July.

Table 2

	Public finances	Agriculture/economy	Health	Education	Infrastructure
December 2000	✗ Budget spending running at least 50% of estimates *(overtaken)* ✓ Customs and excise rates modified and in place ✓ Wages income tax in place ✓ Budget review completed and appropriations legislation approved by Cabinet and National Council	✓ Rice and maize production at 70% (120,000 MT) of 1997 levels • Buffalo and cattle vaccination completed ✓ Hand-tool distribution benefiting 4,000 families completed • 5,000 hectares of irrigation areas recovered (including 45 community schemes) • Ministry of Agriculture operational and all staff recruited	✓ Selected essential drugs and medical supplies to last 6 months ✓ Two rounds of National Immunization days (polio and Vitamin A) completed ✓ Sites agreed and design under way for 25 priority health centres ✓ Policy papers on health financing and role of the private sector ✓ National Centre for Health Education and Training (NCHET) operating in temporary site	• 300 schools at basic operational level ✓ > 80% of books received distributed ✓ 500 scholarships under way ✓ Application procedures for new teachers publicized	✓ Agreement with Education on establishment of Dili Polytechnic ✓ 6 minor Dili public buildings completed ✓ Completion of five backlog maintenance contracts for 260 km of major link roads ✓ List of major local and international contractors for road maintenance established ✓ Extensions completed on Dili wharf • Metering and billing for 3,000 customers ✗ Power authority – metering and billing of large (3 phase) commercial users in place
Jan	*Workshops to agree detailed implementation strategies held in all sectors*				
March 2001	100% Budget spending running at least 60% of estimates *(overtaken)* ✓ Third quarter update completed by mid-April 50% Timorese counterparts in place for senior central fiscal authority positions, or agreement on need for continuing post-UNTAET presence in line positions in central fiscal authority *(partially achieved)*	✓ Buffalo and cattle vaccination completed ✓ District agriculture offices fully functional (buildings, staff, equipment, transport) ✗ 3-5 Pilot Agriculture Service Centres established *(not achieved)* ✗ Quarantine regulations and other standards for animal and plant products issued *(not achieved)* ✓ Joint donors sectoral review ✓ Private sector credit line operational ✗ Commercial legal framework adopted *(not achieved)* 60% Framework study for 9,000 ha of major irrigation works completed *(achieved, only 2,999 ha were found viable)* ✓ Landuse mapping and GIS information started	• Health administration recruitment completed and line authority transferred ✓ More than 40% of health facilities selected in district health plans appropriately utilized 80% 30% of children under 1 immunized *(partially achieved)* 50% Hospital needs and capacity assessment completed *(partially achieved)* 50% Strategic plans for prevention and control of malaria, tuberculosis, sexually transmitted disease(s)/ HIV/AIDS developed and circulated *(partially achieved)* ✓ Stakeholder consultations on key policy options papers	✗ National vision and mission statement publicized *(not achieved)* 75% 600 schools at basic operational level *(partially achieved)* 75% Furniture for 40,000 students produced and delivered *(75% achieved)* ✓ Recruitment of 1,000 teachers ✓ 1,000 scholarships under way ✓ University rehabilitated and re-opened, limited faculties 50% Input consultancies for policy and curriculum contracted *(partially achieved)* 50% Educational administrative processes defined *(partially achieved)*	✓ Establishment of 4 infrastructure regional offices ✓ 25 third-phase road maintenance contracts awarded • Medium- to long-term business plans drafted for aviation, ports, roads and water ✓ Compliance with international safety standards for Dili and Baucau airports ✓ Maximum of 18 vessels delayed at port ✓ 1 Comoro power station generating set overhauled. ✗ Paper on establishing autonomous authority 28 Feb. *(achieved)* ✓ Land and property dispute resolution training programme designed ✓ 13 district land and property offices established and equipped 50% Rental policy and administrative procedures in place *(achieved)* ✗ Abandoned buildings and unauthorized occupations policy in place *(not achieved)*

	Public finances	Agriculture/economy	Health	Education	Infrastructure
May	*Comprehensive review of sectoral plans, including progress against targets and modifications of targets undertaken*				
June 2001	∞ Budget spending running at least 90% of estimates ✓ 2001-02 budget agreed with financing requirement identified ✓ Revenue estimates and five-year financing requirement identified and agreed with international financial institutions ✎ Plan to develop revenue forecasting capacity, including macroeconomic forecasting capacity ✎ Options on tax rates and exemptions presented to Cabinet and National Council (as part of budget) in order to meet revenue targets	✎ Agriculture policy options paper finalized and circulated ✗ 70% of chickens and pigs vaccinated ✎ Baseline surveys and inventories completed ✗ Agricultural credit programme under way ✗ 30 research and extension staff trained ✓ Coffee technology and hortifruit centre operational ✓ Fish hatcheries completed ✓ Second phase of boat building training completed ✓ Second phase of fish attraction devices completed	✎ 150 health posts established with equipment to provide basic primary health care in accordance with district health-care plans ✎ Evaluation of district health plan implementation ✎ Ongoing refresher and upgrade training of health workers at NCHET ✎ Design of regional hospitals completed ✎ Post-independence policy options paper finalized and circulated ✓ Joint donors review completed	✎ Strategic policy options paper completed ✎ 780 of schools at basic operational level ∞✎ Ministry of Education building rehabilitated and equipped ✎ District educational offices operational ✎ Training of personnel in education administration and management ✎ School mapping study completed ✓ Joint donor review completed ✓ Release of national emergency curriculum for discussion	✓ Establishment of community-based road maintenance contracts covering the core road network (300 km) ✎ Independent Power Authority legally established from 1 July ✎ Plan for rural power station rehabilitation finalized ✓ Final business plans for aviation, ports, roads and water, including proposed service standards appropriate to budget standards of an independent East Timor ✎ 13 community management arrangements formalized and operating satisfactorily for water supply and sanitation ✓ Maximum of 7 vessels delayed at port ✓ Joint donors review completed ✓ Land and property administrative systems and manuals in place for all sections ✓ Land and property administrations operating effectively in all districts ✎ Collection and collation of available registry documents 100% completed ✓ Land allocation database operational

	Public finances	Agriculture/economy	Health	Education	Infrastructure
September 2001	2000-01 final budget outcome prepared. Revenue collection for Q3 and Q4 of 2000-01 within 80% of estimate. Monthly disbursement estimates produced, disbursement figures within 90% of estimates. Monthly profiles of revenue collection (i.e., cash basis) prepared. If Timorese counterparts not appointed in March 2001, review of the status regarding post-UNTAET presence.	Agriculture policy options paper discussed with stakeholders. action plan finalized. Chicken and livestock restoration programme benefiting 27,000 families completed. Rehabilitation of major irrigation areas under way. 100% of exported coffee certified organic.	More than 90% of health facilities with less than 2 weeks of stock out of selected essential drugs over a three-month period. 90% of villages within 2 hours of a permanent source of health care. 60% of children under 1 immunized. Autonomous medical store established and operating.	School mapping exercise finalized. School construction programme started. Stakeholder consultations on policy options held. In-service teacher training programme design.	Establishment of community-based road maintenance contracts covering the core road network (1,200 km). 2 Comoro power station generating sets overhauled. Plan for rural power stations implemented. 26 towns with piped water supply. 26 community management arrangements in place. Completion of 3 district works depots. Maximum 4 vessels delayed at port. Property identifier developed for Dili. Cadastral maps for Baucau and base maps for 4 district towns completed. All available GIS data collected. All rents being collected on time.
December 2001	Revenue collection for Q1 2001-02 within 90% of aggregate total. Disbursement figures 90% of estimates. First quarter budget update completed (by end-October). Macroeconomic forecasts for 2001-02, 2002-03 updated and agreed with International Monetary Fund. Revised set of tax rate options presented to Government, updated for national accounts and any distributional information.	Rice and maize production at 80-120% of 1997 levels. 5,000 hectares of small and major irrigation area recovered. Hydraulic study and design for 5,000 hectares of large irrigation schemes completed. 8 Pilot Agriculture Service Centres operational. Agriculture research programme operational and master plan for agriculture completed.	East Timorese management of autonomous medical store. Central Division of Health Services functioning with minimal external advisers. Regional hospitals and further health centres under construction. 25 health centres constructed.	> 90% primary gross enrolment rate. > 40% secondary/technical gross enrolment rate. > 90% of schools received materials before start of school year. Law on basic schooling and national education system drafted. Framework for cooperation between public and private schools.	Completion of backlog maintenance over the entire network. 3 district office buildings. 26 towns with piped water supply. 52 community management arrangements for Watsan in place. Building regulations and standards in place. Government account payment and Giro banking facilities established through the Post Office. Maximum of 2 vessels delayed at port. Base maps produced for remainder of district towns. GIS fully functional. Cadastral overlay maps for all towns.

Key:
- ✓ Achieved or expected to be achieved by 30 June 2001.
- % Partially achieved (percentage indicated where possible).
- ✗ Not achieved.
- • Achieved in subsequent quarter.

Note: Where the benchmark was not achieved by the end of the quarter for which it was set, an update of its status at end-June has been indicated in parentheses and italics. All June benchmarks represent projected outcome.